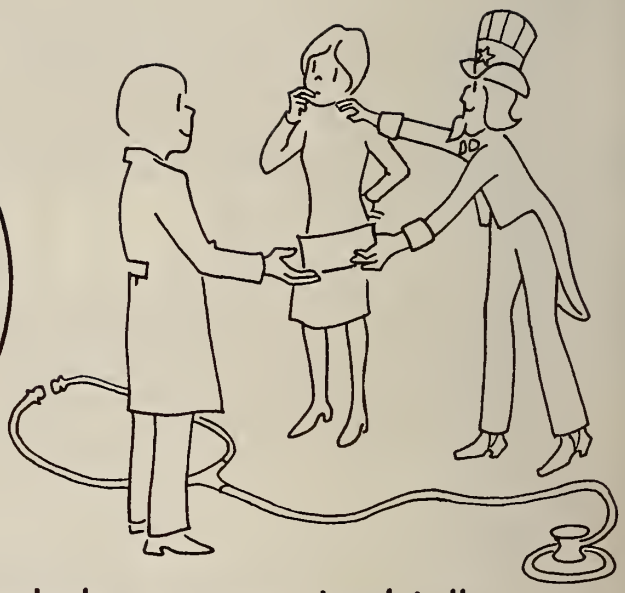
MEDICARE AND MEDICAID

There is a difference!

PUBS
RA
412
.2
M418
1991

1991 Edition

What are MEDICARE and MEDICAID ?



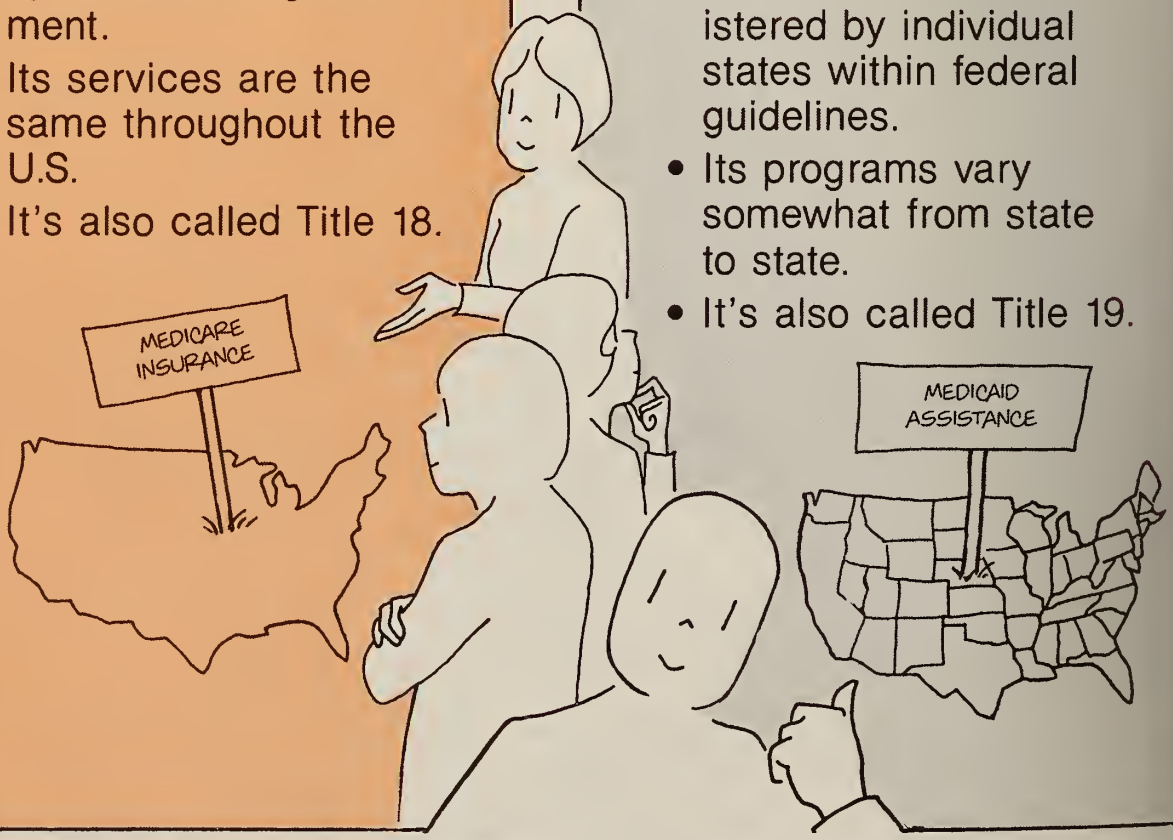
They're programs that help pay medical bills. Both are part of the Social Security Act.

MEDICARE IS AN INSURANCE PROGRAM

- It's designed and run by the federal government.
- Its services are the same throughout the U.S.
- It's also called Title 18.

MEDICAID IS AN ASSISTANCE PROGRAM

- It's designed by federal law and administered by individual states within federal guidelines.
- Its programs vary somewhat from state to state.
- It's also called Title 19.



A SCRIPTOGRAPHIC BOOKLET by CHANNING L. BETE CO., INC., South Deerfield, MA 01373 U.S.A.
© 1986 All rights reserved.
Lithographed in U.S.A. 1991 Edition 19182H-2-91
To reorder phone 800-628-7733 and request booklet number 19182.

A
112.2
M418
991

WHO'S ELIGIBLE for Medicare and Medicaid ?

MEDICARE IS FOR ALMOST ALL PEOPLE AGE 65 AND OLDER

-- regardless of income.
Medicare also covers:

- people with disabilities under age 65 who have been getting Social Security disability payments for more than 2 years
- certain people with permanent kidney failure.

MEDICAID IS FOR CERTAIN NEEDY AND LOW-INCOME PEOPLE

They include:

- some people age 65 or older
- people of any age who are blind or have other disabilities
- members of poor families with dependent children
- children and certain pregnant women
- certain people getting adoption assistance and foster care.

Some people may be covered by both Medicare and Medicaid.

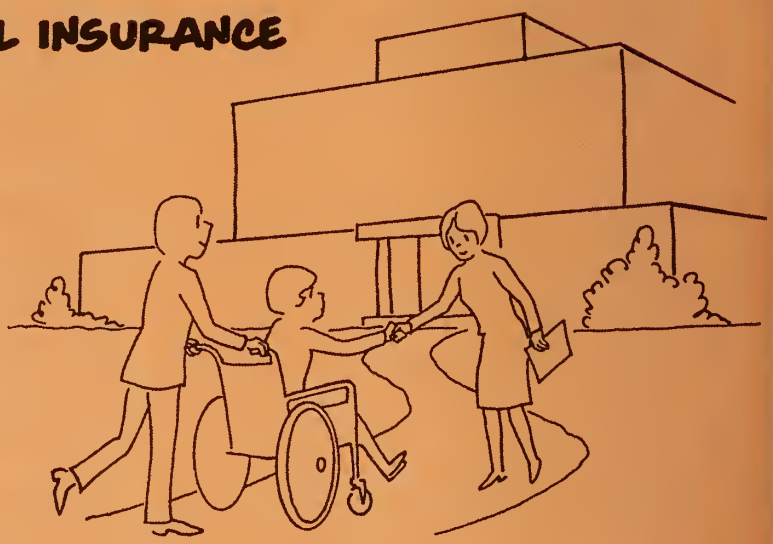
WHAT SERVICES does each program cover ?

MEDICARE COVERAGE
is divided into 2 parts.

MEDICARE HOSPITAL INSURANCE (Part A)

provides basic protection against the costs of:

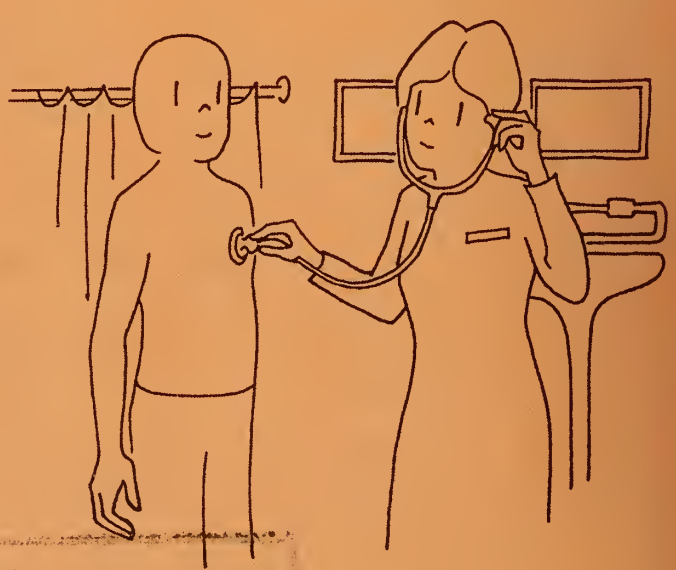
- inpatient hospital care
- skilled nursing facility care
- home health-care
- hospice care.



MEDICARE MEDICAL INSURANCE (Part B)

provides protection against the costs of:

- physicians' services
- medical services and supplies
- home health-care
- outpatient hospital services
- other services.



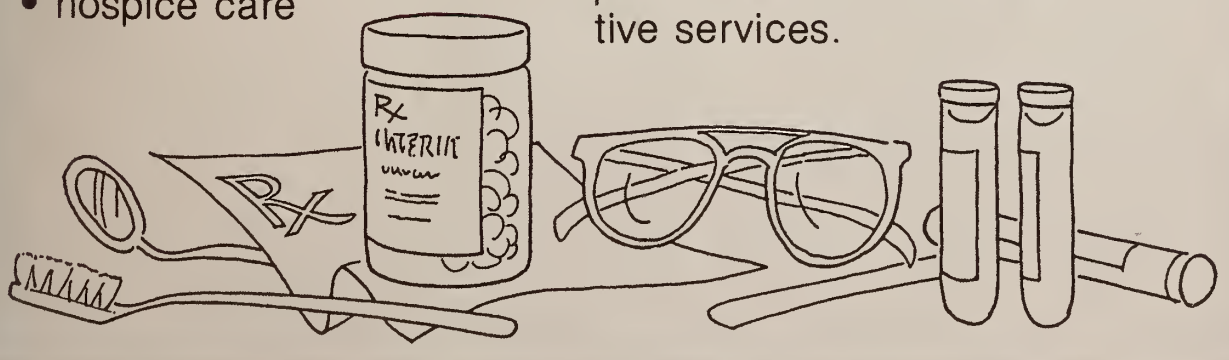
MEDICAID COVERAGE
depends on each state's program.

IN ALL STATES,
these services are covered to some extent (the amount of coverage varies from state to state):

- inpatient hospital care
- outpatient hospital services
- other laboratory and X-ray services
- nursing facility services
- physicians' services
- prenatal care
- screening, diagnostic and treatment services for children under a designated age
- home health-care services
- family planning services
- rural health clinic services
- nurse-midwife services
- certain federally qualified ambulatory and health center services.

IN MANY STATES,
Medicaid helps pay for additional services, such as:

- dental care
- prescribed drugs
- eyeglasses
- clinic services
- hospice care
- intermediate-care facility services for mentally retarded, aged and disabled people
- other diagnostic, screening, preventive and rehabilitative services.



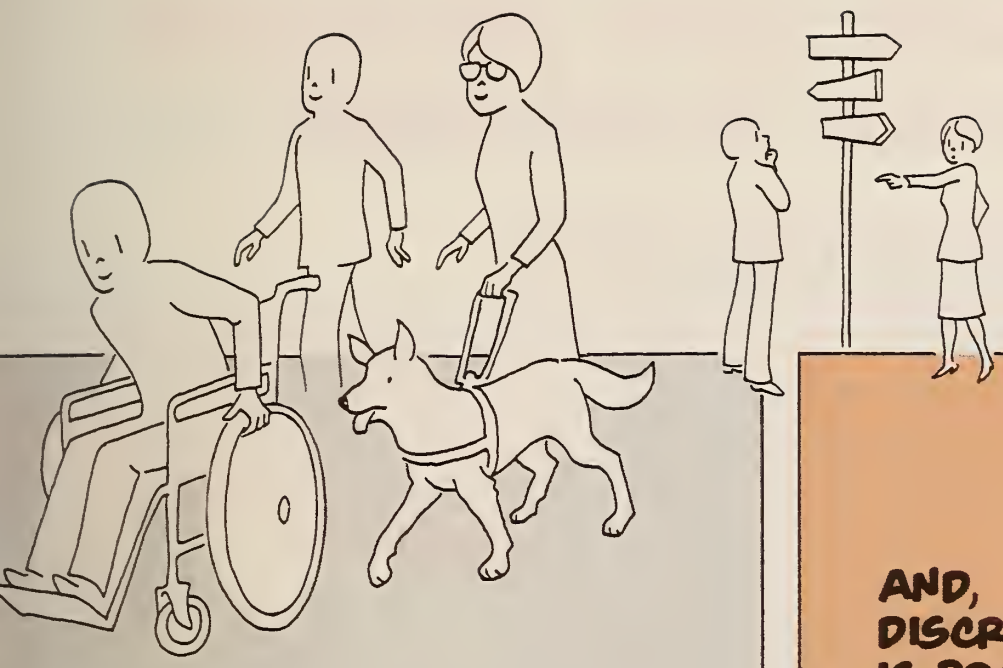
WHERE are Medicare and Medicaid programs AVAILABLE?

Both are available in all states and in the District of Columbia, American Samoa, Guam, Puerto Rico, the Northern Mariana Islands and the Virgin Islands.

ELIGIBILITY FOR MEDICAID VARIES FROM STATE TO STATE

- These states have programs that cover people eligible for Aid to Families with Dependent Children (AFDC) or Supplemental Security Income (SSI):

Alabama
Alaska
Arizona
Colorado
Delaware
*Guam
Idaho
*Indiana
Mississippi
*Missouri
Nevada
New Mexico
*Ohio
South Carolina
South Dakota
Wyoming.



- These states and territories cover other low-income people, as well:

Arkansas
California
*Connecticut
District of Columbia
Florida
Georgia
*Hawaii
*Illinois
Iowa
Kansas
Kentucky
Louisiana
Maine
Maryland
Massachusetts
Michigan
*Minnesota
Montana
*Nebraska
*New Hampshire
New Jersey
New York
*North Carolina
*North Dakota
Northern Mariana Islands
*Oklahoma
Oregon
Pennsylvania
*Puerto Rico
Rhode Island
Tennessee
Texas
Utah
Vermont
*Virgin Islands
*Virginia
Washington
West Virginia
Wisconsin.

* In these states, people must meet standards for disability, income and resources that are usually stricter than federal SSI standards.

AND, DISCRIMINATION IS PROHIBITED

Title VI of the Civil Rights Act of 1964 states:
"No person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefit of, or be subjected to discrimination under any program or activity receiving Federal financial assistance."

Medicare and Medicaid must be operated in compliance with this law.

MEDICARE AND MEDICAID CAN WORK TOGETHER

MEDICARE PAYS PART -- NOT ALL --

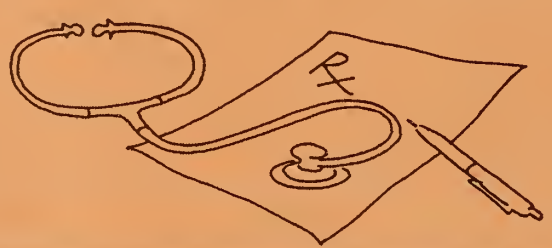
of hospital and other health-care expenses for people who are insured. For example:

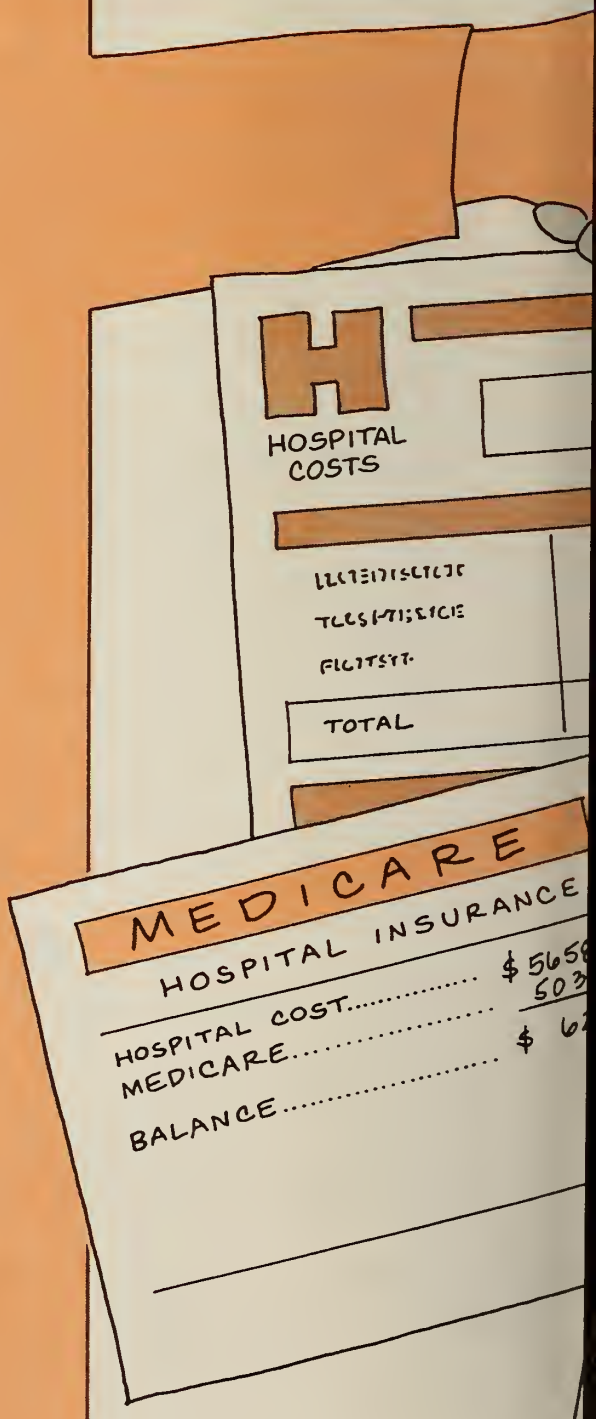
HOSPITAL INSURANCE

pays covered inpatient hospital costs during the first 60 days, except for the first $628* in each benefit period. (A benefit period begins the first day that the person receives inpatient services, and it ends when the person has been out of the hospital and has not received skilled care in any other facility for 60 days in a row.)

MEDICAL INSURANCE

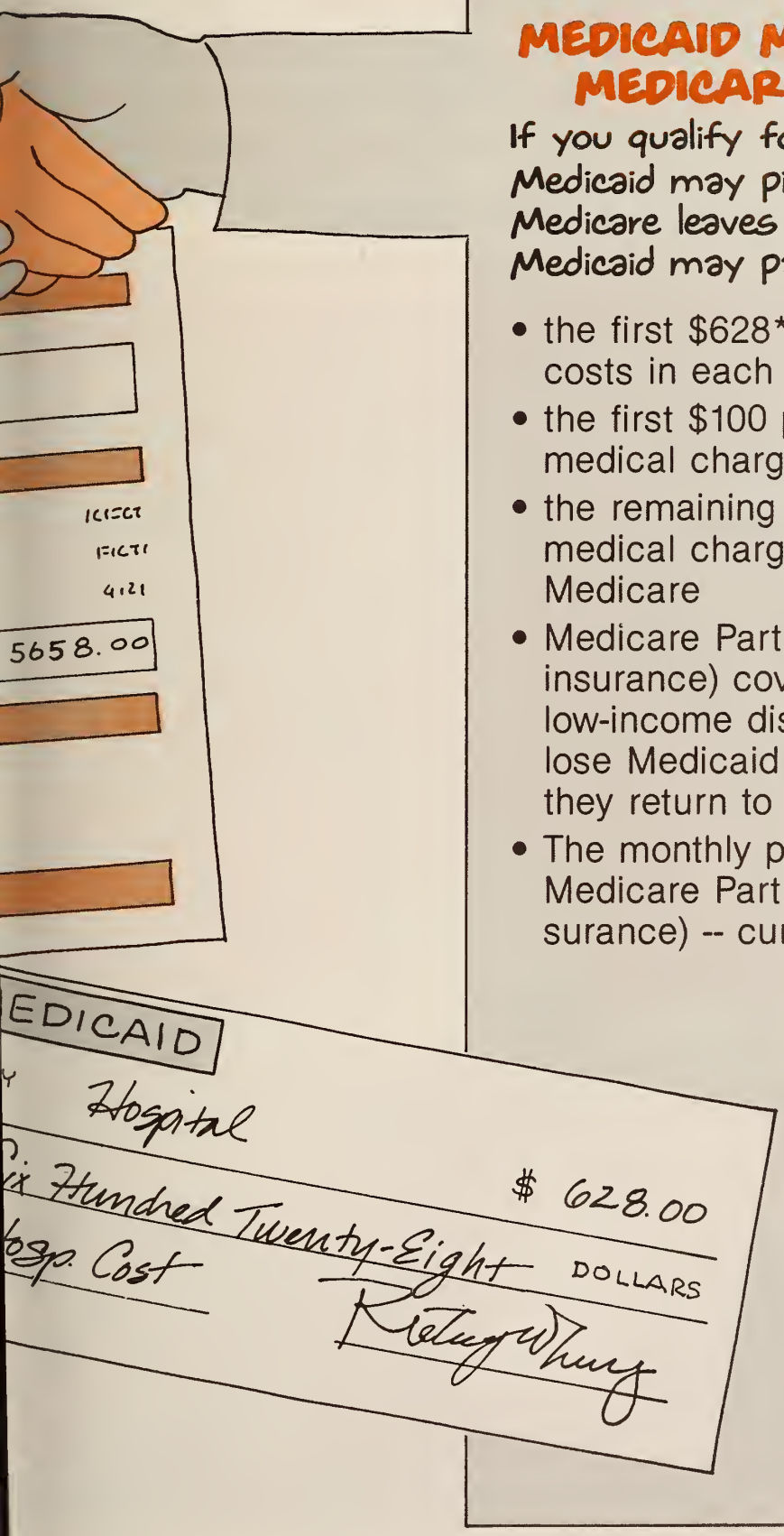
generally pays 80% of approved medical charges, except for the first $100 in each calendar year.





*through 12/31/91

-- even though they're not the same.



MEDICAID MAY PAY WHAT MEDICARE DOES NOT

If you qualify for both programs, Medicaid may pick up where Medicare leaves off. For instance, Medicaid may pay:

- the first $628* of inpatient hospital costs in each benefit period
- the first $100 per year of approved medical charges
- the remaining 20% of approved medical charges not covered by Medicare
- Medicare Part A (hospital insurance) coverage for certain low-income disabled people who lose Medicaid coverage because they return to work
- The monthly premium for Medicare Part B (medical insurance) -- currently $29.90.*

MEDICARE AND MEDICAID CAN WORK TOGETHER

-- even though they're not the same.

MEDICARE PAYS PART -- NOT ALL --

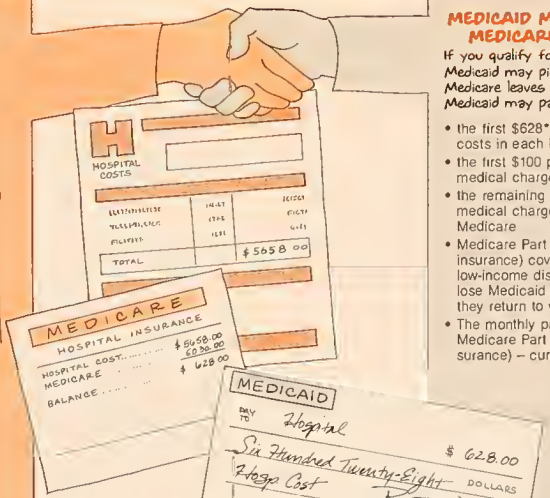
of hospital and other health-care expenses for people who are insured. For example:

HOSPITAL INSURANCE

pays covered inpatient hospital costs during the first 60 days, except for the first $628* in each benefit period (A benefit period begins the first day that the person receives inpatient services, and it ends when the person has been out of the hospital and has not received skilled care in any other facility for 60 days in a row)

MEDICAL INSURANCE

generally pays 80% of approved medical charges, except for the first $100 in each calendar year



MEDICAID MAY PAY WHAT MEDICARE DOES NOT

If you qualify for both programs, Medicaid may pick up where Medicare leaves off. For instance, Medicaid may pay:

- the first $628* of inpatient hospital costs in each benefit period
- the first $100 per year of approved medical charges
- the remaining 20% of approved medical charges not covered by Medicare
- Medicare Part A (hospital insurance) coverage for certain low-income disabled people who lose Medicaid coverage because they return to work
- The monthly premium for Medicare Part B (medical insurance) – currently $29.90.*

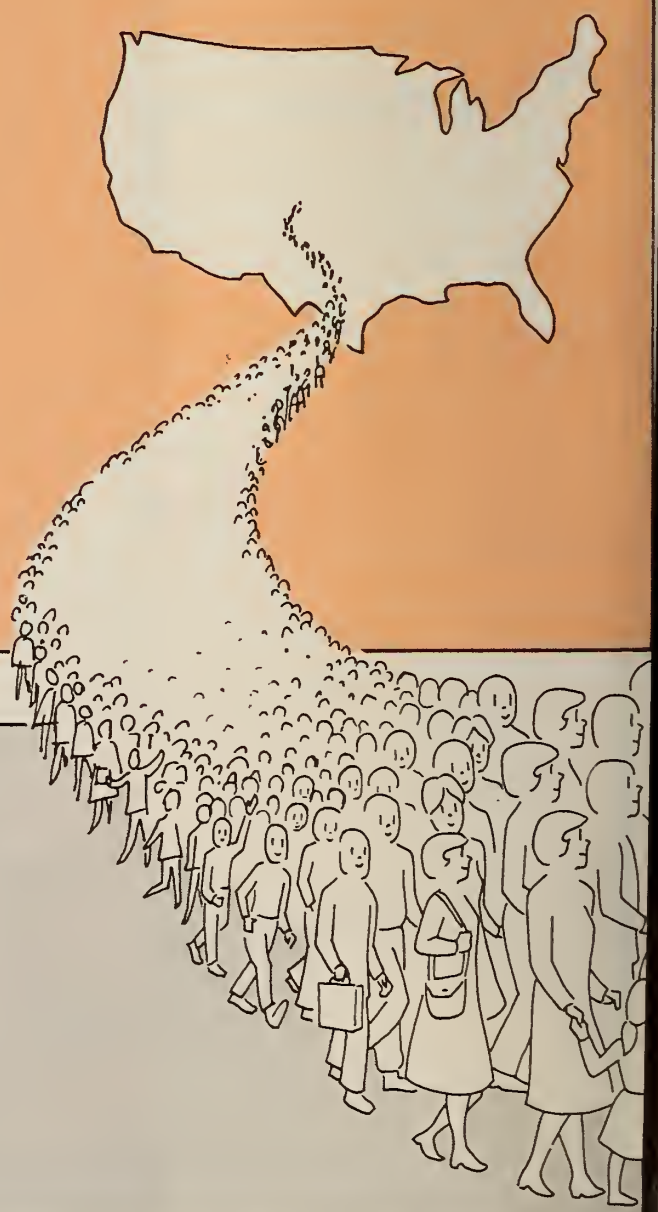
*through 12/31/91

HOW MANY PEOPLE does each program help ?

Millions! Here are the details:

MEDICARE PROTECTS MORE THAN 13% OF THE U.S. POPULATION
-- and that's a lot of people.

About 34 million people are covered by Medicare Hospital and/or Medical Insurance (part A and part B of Medicare).



MEDICAID SERVES ABOUT 10% OF THE U.S. POPULATION

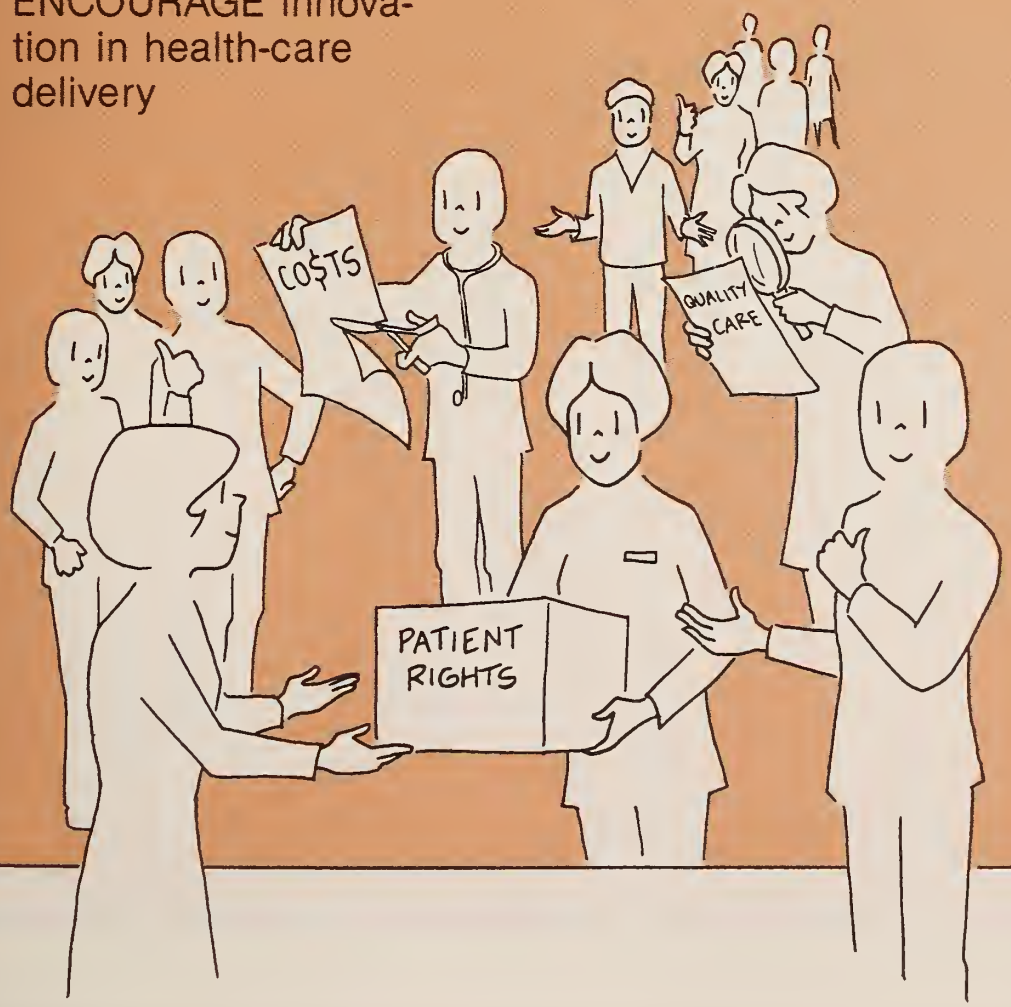
-- about 24 million people. Medicaid pays medical bills for people who are 65 or older, blind, disabled, under 21, or members of families with dependent children.

MEDICARE AND MEDICAID REALLY BENEFIT EVERYBODY

Medicare and Medicaid encourage the availability and efficient delivery of quality health-care services throughout the U.S. -- and that helps everyone!

BOTH MEDICARE AND MEDICAID:

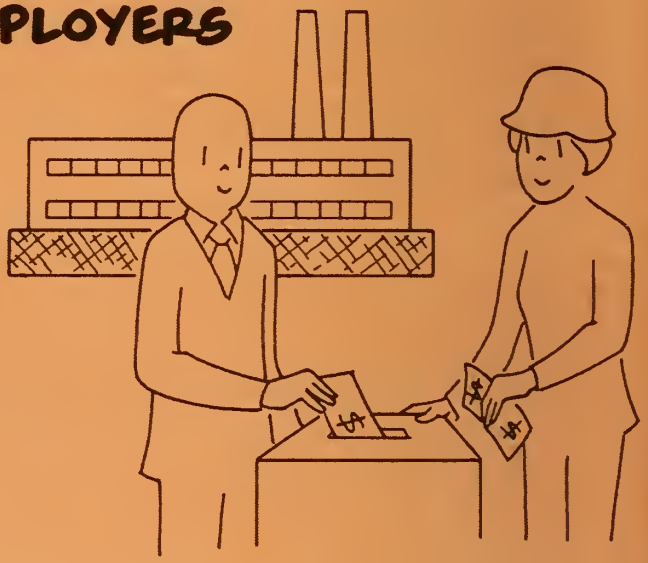
- INSIST on high standards in health-care facilities and services
- SUPPORT the development of needed services
- ENCOURAGE innovation in health-care delivery
- REQUIRE a review of care
- PROMOTE cost-saving measures that won't jeopardize the quality of care.



HOW MEDICARE AND MEDICAID ARE FINANCED

THE FEDERAL GOVERNMENT, INDIVIDUALS AND EMPLOYERS FINANCE MEDICARE

More specifically:

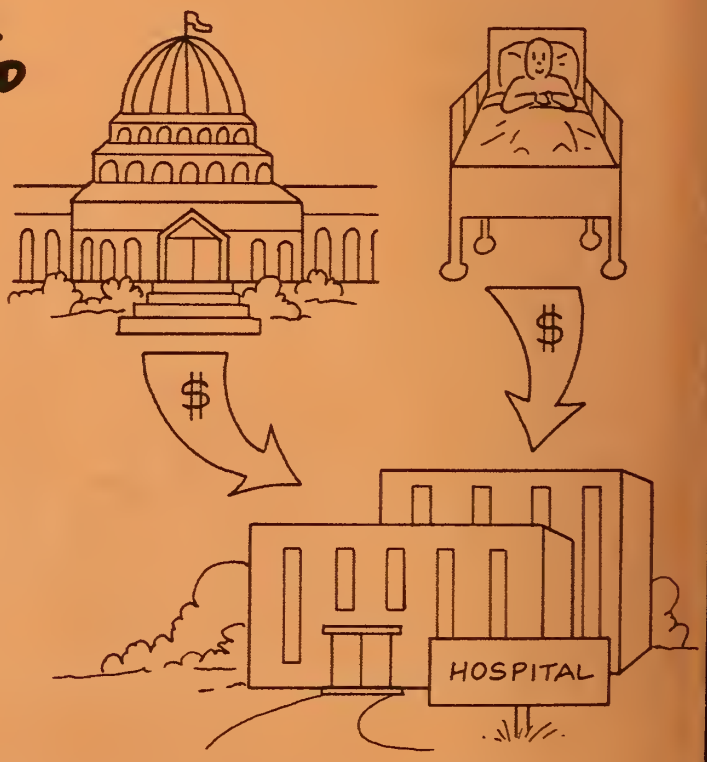


SOCIAL SECURITY PAYROLL CONTRIBUTIONS

from people currently working and matching contributions from their employers pay for Medicare Hospital Insurance (part A).

THE FEDERAL GOVERNMENT AND THE PERSON WHO'S INSURED

pay for Medicare Medical Insurance (part B). The government pays a large part of the costs. The person covered by the insurance pays a monthly premium of $29.90.* (Medicaid may pay this premium for eligible people.)

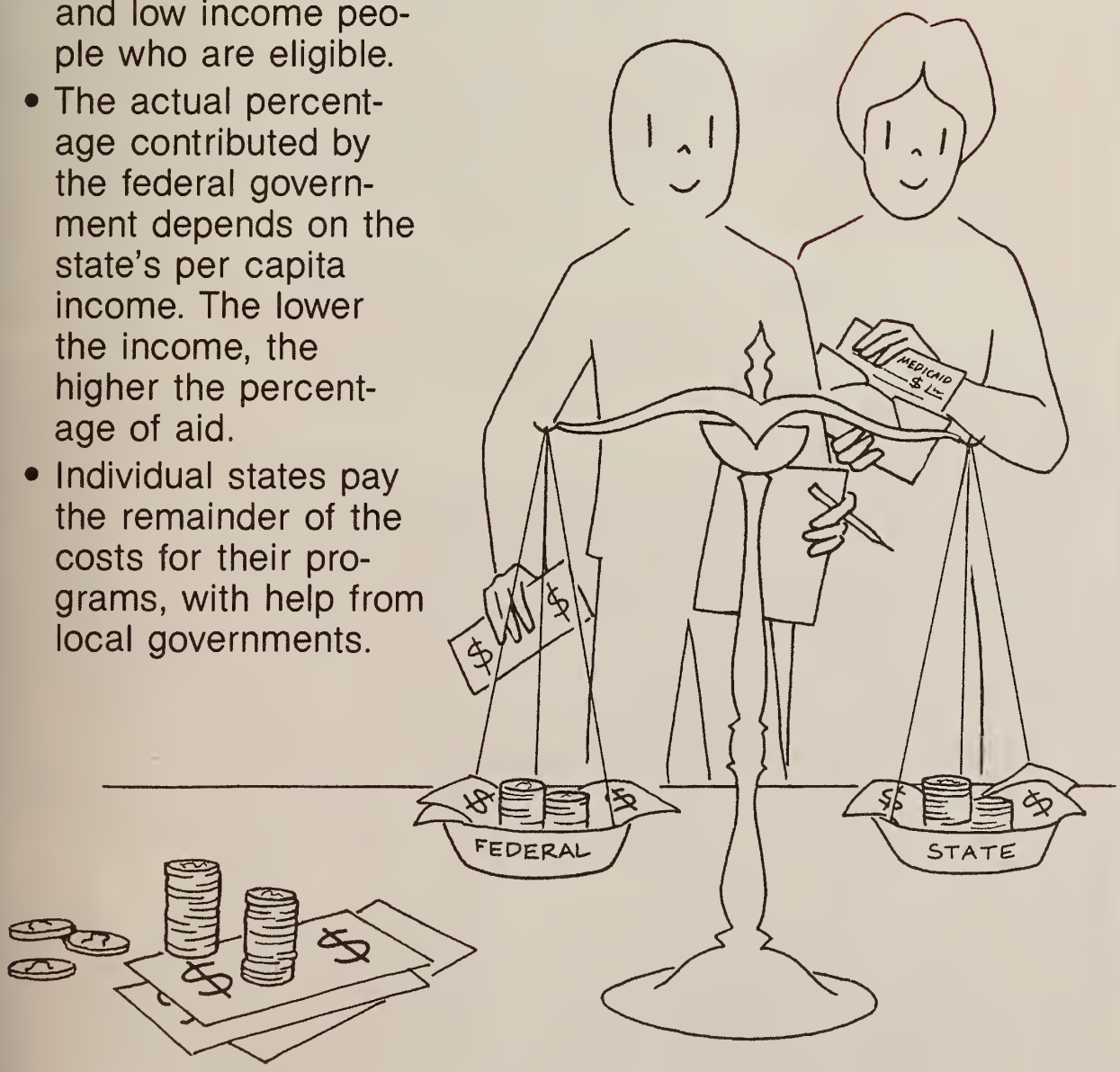


*through 12/31/91 (see p.9)

FEDERAL AND STATE GOVERNMENTS FINANCE MEDICAID

(Money for Medicaid comes from federal, state and local taxes.)

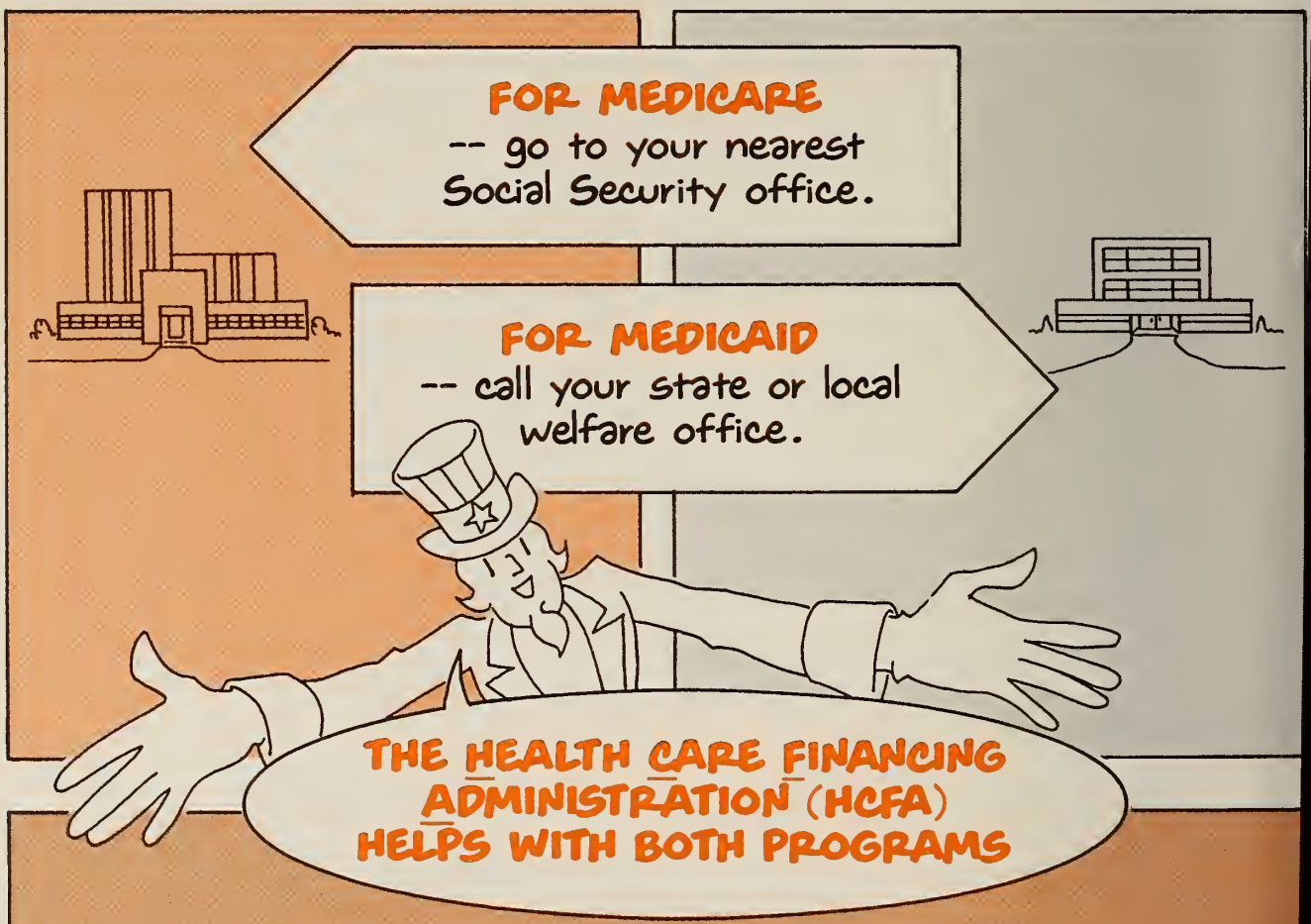
- The federal government pays a percentage of the healthcare costs for needy and low income people who are eligible.
- The actual percentage contributed by the federal government depends on the state's per capita income. The lower the income, the higher the percentage of aid.
- Individual states pay the remainder of the costs for their programs, with help from local governments.



CMS Library
C2-07-13
7500 Security
Baltimore, Ma

WHERE TO APPLY

for each program or get more information


FOR MEDICARE
-- go to your nearest Social Security office.
FOR MEDICAID
-- call your state or local welfare office.
THE HEALTH CARE FINANCING ADMINISTRATION (HCFA) HELPS WITH BOTH PROGRAMS

HCFA is a federal organization that's part of the U.S. Department of Health and Human Services. It's responsible for the operation of:

- Medicare
- federal aspects of Medicaid.

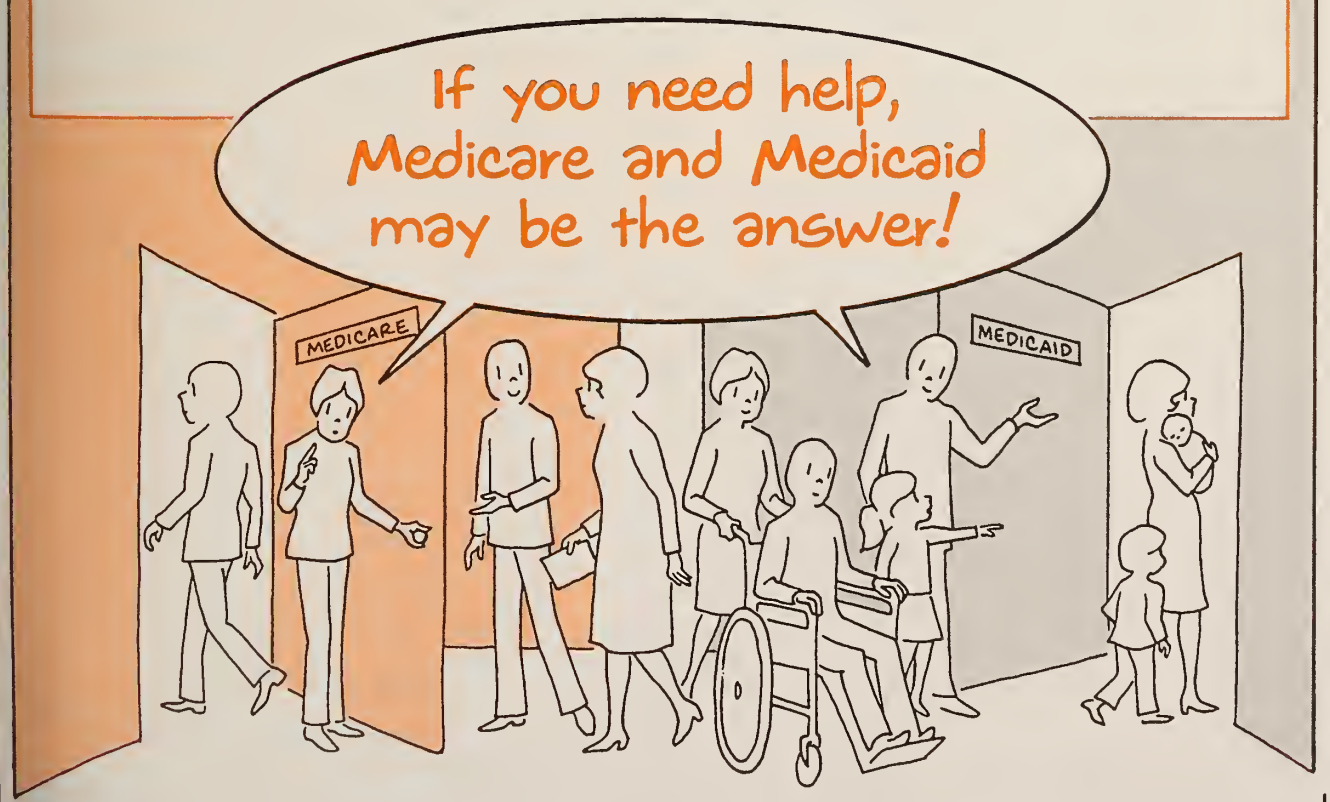
Soo--

BOTH MEDICARE AND MEDICAID HELP PAY MEDICAL BILLS

-- but the programs are different.

Be sure that you understand:

- ✓ **WHAT** each program covers
- ✓ **HOW** Medicare and Medicaid can work together
- ✓ **WHERE** you can get more information or apply for each program.



CMS LIBRARY

3 8095 00011166 2

Printed on Recycled Pape